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30 December 1946

DECLASSIFIED AND APPROVED FOR RELEASE
BY THE CENTRAL INTELLIGENCE AGENCY
DATE: 2001

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CENTRAL INTELLIGENCE GROUP
SPECIAL FUNDS REGULATION NO. 1-A.

PART I

1.1 Scope:

(a) These regulations supplement CIG Special Funds Regulation No. 1, effective 21 October 1946, and apply only to transactions originating in the Office of Special Operations.

PART II

2.2 Personal Services:

(a) Employment of persons who are specifically named and included in an approved Special Operations' project, to occupy covert positions, will be accomplished wholly within the Office of Special Operations, and letters of appointment for such persons will be signed by the Chief, Special Funds Section in accordance with memorandum from the Director, dated 31 October 1946.

2.5 Procurement of Supplies and Equipment:

(a) Procurement of supplies and equipment on unvouchered funds in the Office of Special Operations will be made through the Projects Support Division, and the certificate of the Chief, Projects Support Division that payment from unvouchered funds is required will be binding on the Chief, Services Division.

2.6 Special Living Allowances:

Where in the opinion of the Branch Chief, special allowances may be necessary to meet extraordinary living expenses (including necessary entertainment of Special Operations' personnel), a memorandum setting forth the facts and requesting such allowances will be prepared in the branch and, if approved by the Branch Chief, will be forwarded to the Assistant Director for Special Operations for his approval through the Chief, Special Funds Section. When the necessary approvals have been obtained, the allowances will be paid in such a manner as may be determined by the branch concerned and the Chief, Special Funds Section. The allowance so fixed will be the maximum that can be expended for this purpose. They will be treated as advances and will be fully accountable except as the Assistant Director for Special Operations may approve otherwise. In all cases funds allocated as outlined above shall be within the funds allotted to the Office of Special Operations by the Projects Review Committee.

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2.7 Medical and Hospitalization Expenses:

Medical and hospitalization expenses and death or disability benefits may be paid from unvouchered funds where the Assistant Director for Special Operations deems it necessary for security reasons not to process the particular case through normal Government channels. The amounts to be paid in such cases will not exceed the rates prescribed by the United States Employees' Compensation Act of 7 September 1916, as amended. The approval of such expenditures shall be by the Assistant Director for Special Operations.

PART III

ADVANCES AND ACCOUNTING

3.1 Approval of Projects:

(b) The Projects Review Committee will review and approve, for the Office of Special Operations, area activity estimates in accordance with CIG Administrative Order No. 23, dated 25 October 1946, and memorandum to the Assistant Director for Special Operations from the Executive to the Director, dated 28 October 1946. Projects of the Office of Special Operations within such area activity will be approved by the Assistant Director for Special Operations. The Assistant Director for Special Operations may authorize the transfer of funds allotted to one area to another area project within the total funds approved by the Projects Review Committee for the Office of Special Operations.

3.3 Approvals Required:

(c) In the Office of Special Operations, where there is no approved project or allocation of funds to which the advance may be charged, the Assistant Director for Special Operations may approve applications for advances not to exceed Five Thousand Dollars (\$5,000.00) for any one purpose, subject only to post-audit as prescribed in paragraph 4.2 of these regulations.

PART IV

4.2 Approval of Vouchers:

(a) In the Office of Special Operations, where there is no approved project or allocation of funds to which the voucher may be charged, the Assistant Director for Special Operations may approve vouchers not to exceed Five Thousand Dollars (\$5,000.00) for any one purpose subject to post-audit by the Projects Review Committee. The Chief, Special Funds Section shall prepare a bi-monthly list of such vouchers and submit same to the Projects Review Committee for post-audit and final approval.

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PART V

MISCELLANEOUS PROVISIONS

6.8 Inspection of Records:

Records pertaining to the Office of Special Operations which are maintained by the Special Funds Section shall not be subject to examination or inspection unless written approval of the Assistant Director for Special Operations or the Director of Central Intelligence, shall have been obtained.

/s/
HOYT S. VANDENBERG
Lieutenant General, USA
Director of Central Intelligence

NOTE: Distribution of these Regulations will be limited to the following:

Office of Special Operations
Special Funds Section
Chief Finance Division, P&A
Chief, Services Division, P&A
Executive for P&A
Director
Executive Office of the Director
General Counsel

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